

ADOPTED 2006 BUDGET

DEPT: DEBT ISSUE EXPENSE

UNIT NO. 1900-8026

FUND: General - 0001

OPERATING AUTHORITY & PURPOSE

Appropriations are for expenses incurred for issuing bonds by Milwaukee County. The bonds are issued as provided under 67.04 Of the Wisconsin Statutes

which authorizes issuing bonds for specific purposes, subject to stated limitations.

BUDGET SUMMARY			
	2004 <u>Actual</u>	2005 <u>Budget</u>	2006 <u>Budget</u>
Debt Issue Expense	\$ 115,706	\$ 11,500	\$ 11,500

STATISTICAL SUPPORTING DATA	2004 <u>Actual</u>	2005 <u>Budget</u>	2006 <u>Budget</u>
Total Debt Issue Expense	\$ 360,024	\$ 61,500	\$ 71,500
Airport Issue Expense*	244,318	50,000	60,000
Net Debt Issue	\$ 115,706	\$ 11,500	\$ 11,500

- * According to the Airport Master Lease Agreement, the Airport is required to pay all direct costs associated with the issuance of airport debt. Airport debt issuance costs, totaling \$60,000, have been included in the Airport's 2006 operating budget.

This non-departmental budget is re-established to pay bond counsel, financial advisor fees and other costs associated with issuing debt, including credit rating agency fees, financial auditor fees, printing and distribution costs for the official statement, and fiscal agent and trustee fees. Currently, a significant portion of debt issue expenses are paid from the proceeds of each financing. Under current Federal law, up to two percent of each financing may be used to cover expenses related to the issue. Expenses not eligible to be paid from financing proceeds are reflected in this budgetary appropriation. Expenditure authority for expenses paid from bond proceeds will be added through a Department of Administrative Services-only transfer once actual financing amounts are determined.

Non-Airport debt issue expense for 2004 totaled \$115,706. There was \$23,802 of the \$115,706 that was not eligible for bond financing. Most of the bond ineligible expenses (\$22,842) related to a refunding of several corporate purpose maturities that did not occur.

Total debt issue expenses for the Airport in 2004 were \$244,318. Fees relating to the issuance of airport revenue bonds totaled \$202,922. The remaining balance of \$41,395 related to costs incurred for trustee fees and updating the feasibility report.